

MIDWEST GOLD LIMITED

(Formerly Nova Granites (India) Limited)

ANNUAL REPORT 2018-2019



29th Annual Report



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. K. Deepak	- Whole time Director
Mr. B S Raju	- Whole time Director
Mrs. K. Neelima	- Women Independent Director
Mr. Rao Sasikanth	- Non Executive Independent Director (Appointed with effect from 23/05/2019)
Mrs. Kukreti Soumya	- Director (Appointed with effect from 30/05/2019)
Mr. P.K. Tyagi	- Director (Resigned with effect from 14/02/2019)
Mr. P. Harinadha Babu	- Independent Director (Resigned with effect from 14/02/2019)
Mr. G. Nityanand	- Independent Director (Resigned with effect from 23/04/2019)
Mr. S. Anand Reddy	- Chief Financial Officer (CFO)
Mr. Manish Tarachand Pande	- Company Secretary & Compliance Officer

AUDITORS : B R N Murthy and Associates
854, 51st Main, 1st Stage,
Kumaraswamy Layout,
Bangalore, Hyderabad-560078
Phone: +91 8880315890
E-mail: brnmurthy@gmail.com

REGISTERED OFFICE : 25-A, Attibele Industrial Area,
Attibele, Bangalore District
Karnataka-562 107.
Phone No.: 080 27820407, Fax: 27820207
Web Address : www.midwestgoldltd.com
E-Mail : novagranites1990@gmail.com

CORPORATE OFFICE : 8-2-684/3/25&26, Road No.12,
Banjara Hills, Hyderabad,
Telangana- 500 034.
Phone No.: 040-23305194. Fax : 23305167

- INTERNAL AUDITOR** : Mr. I.VENKATESWARLU,M.Com, LL.M,
Add : 30-265/3/8/3,
Deendyal Nagar, Old Saphelguda,
Malkajgiri, Hyderabad-500056
Telangana, India.
- SECRETARIAL AUDITOR** : Mr.G.Shyam Krishna, LL.B, ACS,
Company Secretary In Whole Time Practice,
Add : 7-107/1, Shantinagar, Chandanagar,
Hyderabad-50, Telangana, India.
- REGISTRAR AND
SHARE TRANSFER AGENTS** : **Bigshare Services Private Limited.,**
306, 3rd Floor, Right Wing,
Amrutha Ville, Opp: Yashoda Hospital,
Rajbhawan Road, Somajiguda
Hyderabad - 500082.
Direct Desk:040-23374967/40144582
Web Address: www.bigshareonline.com
Email: bsshyd1@bigshareonline.com
bsshyd@bigshareonline.com
- LISTED AT** : Bombay Stock Exchange Limited
- ISIN NO.** : INE519N01014
- CIN** : L13200KA1990PLC011396
- WEBSITE** : www.midwestgoldltd.com
- E-MAIL FOR INVESTOR
GRIEVANCES** : novagranites1990@gmail.com



NOTICE

Notice is hereby given that the Twenty-ninth Annual General Meeting of the members of M/s. Midwest Gold Limited will be held on Wednesday, the 25th day of September, 2019 at 11:30 A. M., at the Registered office of the Company at 25-A, Attibele Industrial Area, Attibele, Bangalore District, Karnataka-562107, to transact the following business(es):

AS ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019, together with the Report of Directors and the Auditors thereon.
2. To appoint Director in the place of Mr. Deepak Kukreti, DIN: 03146700, who retires by rotation and being eligible offers himself for re-appointment.

AS SPECIAL BUSINESS:-

3. APPOINTMENT OF Mr. RAO SASIKANTH AS INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Rao Sasikanth having DIN: 08461309 , who was appointed as an Additional Director w.e.f 23rd May, 2019 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from him proposes his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director, not subject to liable to retire by rotation and to hold office for a term up to 22nd May, 2024;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. APPOINTMENT OF Mrs. KUKRETI SOUMYA AS DIRECTOR OF THE COMPANY:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED that pursuant to the provisions of Section 149, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Mrs. Kukreti Soumya having DIN:



01760289 who was appointed as an Additional Director of the Company by the Board of Directors with effect from 30th May, 2019 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2018-2019 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the company has received a notice in writing from Mrs. K. Soumya signifying her intention to propose her self a candidate for the office of the Director and in respect of whom the Nomination & Remuneration Committee has recommended for her appointment as Director be and is hereby appointed as Director of the Company, subject to liable to retire by rotation.”

BY THE ORDER OF THE BOARD

Sd/-

MANISH TARACHAND PANDE

COMPANY SECRETARY &
COMPLIANCE OFFICER

Place : Hyderabad

Date : 14.08.2019

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. A person can act as a proxy on behalf of members not exceeding 50 (Fifty) and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorised representatives are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 30th September, 2017.
5. The Register of Members and the Share Transfer Books will remain closed from 19th September, 2019 to 25th September, 2019 (both days inclusive).
6. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
7. Members are requested to quote their Registered Folio number on all correspondence with the Company.
8. Members are requested to send all communication relating to shares to the Company's Share Transfer Agents (Physical and Electronic) at Bigshare Services Private Limited., 306, 3rd Floor, Right Wing, Amrutha Ville, Opp: Yashoda Hospital, Rajbhawan Road, Somajiguda, Hyderabad – 500082, Telangana.
9. The information pursuant to Regulation 26 of SEBI (LODR) Regulations, 2015 with respect to the details of the Directors seeking appointment / re-appointment in this Annual General Meeting is annexed.
10. The amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only from December 5th, 2018. Hence all the Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Bigshare Services Private Limited for assistance in this regard.



11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Bigshare Services Pvt Ltd., the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said Form can be downloaded from the Company's website www.midwestgoldltd.com (under 'Investors' section). Members holding shares in physical form may submit the same to Bigshare Services Private Limited. Members holding shares in electronic form may submit the same to their respective depository participant.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
16. The route map showing directions to reach the venue of the Twenty-ninth AGM is annexed.
17. In view of the green initiatives taken by the Ministry of Corporate Affairs all the members of the Company are hereby requested to send their email IDs to novagranites1990@gmail.com or info@midwestgoldltd.com or bsshyd1@bigshareonline.com or bsshyd@bigshareonline.com to send the Annual Reports and other information electronically. The notice of 29th AGM and Annual Report 2018-2019 will be available on the Company's website www.midwestgoldltd.com.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN and Bank Account details to the Company/Registrar pursuant to the SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018.
19. **Voting Through Electronic (e-voting):**
In compliance with Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR) Regulations, 2015, Midwest Gold Limited ("the Company") is pleased to provide to the shareholders the facility to exercise their right to vote at the AGM by electronic means and the business may be transacted through e-voting services provided by M/s. CDSL Limited.

The facility for voting through ballot paper/ polling paper will also be made available at the AGM and the members attending the AGM who have not already cast votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to AGM may attend the AGM but shall not be entitled to cast their vote again.

Further, the Board has appointed Mr. Prathap Satla, Practicing Company Secretary, Hyderabad, having their office situated at H. No. 6-3-1238/15/1, Flat No. 301, 3rd Floor, Elite Heights, Somajiguda, Hyderabad-500082, who in the opinion of the Board is a duly qualified person, as a Scrutinizer to collate the electronic voting process in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 22nd day of September, 2019 at 9:00 A. M., and ends on 24th day of September, 2019 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website - www.evotingindia.com
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

PAN	<p>For Members holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)\	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).



- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Midwest Gold Limited> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cDSLindia.com.

20. The Board of directors of the company at their meeting held on 14th August, 2019, has appointed Mr. Prathap Satla, Practicing Company Secretary, as Scrutinizer for conducting the remote e-voting and poll in a fair & transparent manner. The Scrutinizer’s decision on the validity of remote e-voting shall be final.
21. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners as on cut-off date of 20th September, 2019. Members holding shares either in physical form or dematerialized form may cast their vote electronically. Members who do not cast their vote electronically, may only cast their vote at the Annual General Meeting.
22. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
23. The result of voting will be announced by the Chairman of the AGM at or after the AGM to be held on 25th September, 2019, and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the Resolutions.
24. The result of the voting along with Scrutinizers’ Report will be communicated to the stock exchanges and will also be hosted on the website of the Company www.midwestgoldltd.com and on CDSL website (<https://www.evotingindia.com>) within two (2) days of passing of resolutions.

ADDITIONAL INFORMATION

Details of Directors seeking Appointment / Re-appointment at the Annual General Meeting

Particulars	Mr. Deepak Kukreti (Whole Time Director)	Mr. Rao Sasikanth (Independent Director)- Regularization of Appointment	Mrs. Kukreti Soumya (Director)- Regularization of Appointment
Date of Appointment/ Re-appointment (Retirement by rotation/ Regularization of appointment)	28th September, 2018, 25.09.2019 (Retire by rotation).	23.05.2019 & 25.09.2019	30.05.2019 & 25.09.2019
Qualifications	Holder of Masters Degree in Business Management from ISB, Hyderabad.	Holder of Bachelor's Degree in Arts	Holder of Bachelor's Degree in Commerce
Expertise in specific functional Areas	Running of Granite/ Marble processing/ Manufacturing of Diamond Tools for cutting of natural stone unit from the past 10 years	Over 18 years of experience in Civil Contract works, execution of projects, etc.	Over 17 years of experience in the field of various business segments viz quarrying and processing of granite, marble and other natural stones and manufacturing of diamond tools for cutting of natural stones, etc.
Directorships held in other public companies (excluding foreign companies and section 8 companies)	Nil	Nil	Nil
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholder's Relationship Committee.)	Nil	Nil	Nil
Number of shares held in the company	Nil	Nil	Nil

BY THE ORDER OF THE BOARD
MANISH TARACHAND PANDE
COMPANY SECRETARY &
COMPLIANCE OFFICER

Place : Hyderabad

Date : 14.08.2019

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 :

The following Explanatory Statement sets out all material facts relating to the special businesses set out in the accompanying notice of the 29th Annual General Meeting of the Members of Midwest Gold Limited.

ITEM NO. 3:

APPOINTMENT OF Mr. RAO SASIKANTH AS NON EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY:

Mr. Rao Sasikanth , was appointed by the Board as an Additional Director (Independent) with effect from 23rd May, 2019 in terms of provisions of Section 161 of the Companies Act, 2013, rules made there under . As per the provisions contained under Section 161 of the Companies Act, 2013, the “Additional Director” so appointed shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Mr. Rao Sashikanth , as an Additional Director holds the office upto the date of this Annual General Meeting. In terms of provision contained under Section 160 of the Companies Act, 2013 and the rules made there under, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying him candidature as a Director, or the intention of such member to propose his as a candidate for that office, or as they case may be, along with deposit of one lakh rupees. However pursuant to the Proviso of Subsection (1) of Section 160 of the Companies (Amended) Act, 2017 the deposit is exempted if the Independent Director is appointed or the Director is appointed at the recommendation of the Nomination and Remuneration Committee. Accordingly, Company has received a notice from Mr. Rao Sasikanth proposing his candidature, for the office of Director in terms of Section 160 of the Companies Act, 2013. Mr. Rao Sasikanth has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. He does not hold any shares of the Company. Relevant documents in respect of the said item are open for inspection by the members at the Registered Office of the Company on all working days during 2.30 p.m. to 4.30 p.m. up to the date of the Meeting. None of the Other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 3 of the Notice. The Board recommends the Ordinary Resolution as set out at item no. 3 for approval by the Members.

ITEM NO. 4:

APPOINTMENT OF Mrs. KUKRETI SOUMYA AS DIRECTOR OF THE COMPANY:

Mrs. KUKRETI SOUMYA was appointed by the board as an Additional Director with effect from 30thMay, 2019 in terms of provisions of Section 161 of the Companies Act,

2013, rules made there under . As per the provisions contained under Section 161 of the Companies Act, 2013, the “Additional Director” so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Mrs. KUKRETI SOUMYA as an Additional Director, holds office upto the date of this Annual General Meeting. In terms of provisions contained under Section 160 of the Companies Act, 2013 and the rules made there under, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if he or some member intending to propose him as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under his hand signifying his/her candidature as a Director, or the intention of such member to propose him as a candidate for that office, as they case may be, along with deposit of one lakh rupees. However pursuant to the Proviso of Subsection (1) of Section 160 of the Companies (Amended) Act, 2017 the deposit is exempted if the Independent Director is appointed or the Director is appointed at the recommendation of the Nomination and Remuneration Committee. Accordingly, the Company has received a notice from her proposing candidature for the office of the Director and also a recommendation from the Nomination and Remuneration Committee proposing candidature of Mrs. KUKRETI SOUMYA, for the office of Director in terms of Section 160 of the Companies Act, 2013. Mrs. KUKRETI SOUMYA is a graduate and also having vast experience in the field of Natural Stone industry. She does not hold any shares of the Company. Relevant documents in respect of the said item are open for inspection by the members at the Registered Office of the Company on all working days during 2.30 p.m. to 4.30 p.m. up to the date of the Meeting. None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 4 of the Notice except Mr. Deepak Kukreti, Whole Time Director who is husband of Mrs. Soumya Kukreti. The Board recommends the Ordinary Resolution as set out at item no. 4 for approval by the Members.

BY THE ORDER OF THE BOARD
MANISH TARACHAND PANDE
COMPANY SECRETARY &
COMPLIANCE OFFICER

Place : Hyderabad

Date : 14.08.2019

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the **TWENTY NINTH ANNUAL REPORT** together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019.

1. FINANCIAL HIGHLIGHTS:

The performance of the Company for the Financial Year ended 31st March, 2019, is summarized below.

(Amount in Rupees)

PARTICULARS	2018-2019	2017-2018
Gross Revenue	18,79,896	77,02,931
Total Expenditure	83,37,151	1,06,77,670
Profit/(Loss) before tax (PBT)	(64,57,255)	(29,74,739)
Less: Tax Expenses	10,31,058	1,04,60,702
Profit/(Loss) after tax	(74,88,313)	(1,34,35,441)
Total other comprehensive Income/Loss	0	0
Total comprehensive Income/Loss	(74,88,313)	(1,34,35,441)
EPS	(2.29)	(4.11)

2. STATEMENT OF COMPANY AFFAIRS : -

Your Company has achieved a Turnover of Rs. 10,66,461/- excluding other income of Rs. 8,13,435/- when compared to Rs. 12,23,850/- excluding other income of Rs. 64,79,081 during previous year. The operations of the Company resulted in loss of Rs. 74,88,313/- when compared to loss of Rs. 1,34,35,441/- during previous year.

3. FUTURE OUTLOOK:

The management has done well to ensure sustain operations. However, due to low income, high cost, and expenditure, the operations resulted in loss as specified above. Efforts are being made to improve the turnover and reduce the costs involved in the coming years and also for improving the overall business activities of the Company.

The Management is also looking to revive the loss in the ensuing Financial Year.

4. DIVIDEND:

Your Directors do not recommend any dividend for the financial year 2018-2019, in view of the operating loss in the current year and accumulated losses.

5. DEPOSITS:

The Company has not accepted any deposits during the year.

6. TRANSFER TO RESERVES:

During the year, no amount was transferred to General Reserve.

7. CHANGE IN THE NATURE OF BUSINESS:

During the year there was no change in the nature of the business of the Company.

8. DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013:

The Company has received the disclosure in Form DIR-8 from its Directors being appointed or re-appointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013, read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

9. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary Companies as on 31st March, 2019. There are no Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013. Therefore, the question of material change of the business of the subsidiaries/ Associates does not arise.

10. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report.

11. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy. Your Company follows well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board.

The Company has laid down a well-defined risk management mechanism covering risk mapping, risk exposure and risk mitigation process. The Company's Risk Management Policy has been developed to include various categories such as Human Resources, Financial, Business Processes and Systems, strategy, Corporate Governance and Compliance and Information Security.

A detailed exercise has been carried out to identify, evaluate, manage and monitor the risks which shall help the Company to take pro-active decisions and avoid all financial implications. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting.

Further, the Board ensures risk reporting and updates, risk policy compliances and provide overall guidance and support to business risk owners.

12. CORPORATE SOCIAL RESPONSIBILITY:

Since your Company does not have profits in accordance with provisions of the Companies Act, 2013, and Rules made there under, for the past three years hence did not implement corporate social responsibility policy.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has not given any Loans, or Investments made under Section 186 of the Companies Act, 2013 to other Bodies Corporate or persons as referred thereto during the financial year. However the Company has given guarantee in favor of M/s HDFC Bank Ltd on behalf of M/s Midwest Granite Pvt. Ltd, its Holding Company for an additional amount of Rs. 4.50Crores during the year ended 31.03.2019 and aggregating to Rs.27.07 Crores as on 31.03.2019 , which is well within the limits of prior approval of the Shareholders vide Special Resolution dated 07.03.2012 (Announcement Date of result of Postal ballot) duly passed, following the provisions of the erst while Companies Act, 1956 and relevant Rules made there under .

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no transactions entered with related parties for the year under review. Since the provisions of Section 188 of the Companies Act, 2013 are not attracted, the disclosure in Form AOC- 2 is not required. Further, there are no material related party transactions as applicable under the SEBI (LODR), Regulations, 2015 during the year under review with the Promoters, Directors or Key Managerial Personnel. However pursuant to Section 134(3)(h) & Rule 8(2) of the Companies (Accounts) Rules, 2014-AOC-2, a nil statement is enclosed as Annexure-1.

15. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The Board has framed a Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013 based on the recommendation of Nomination and Remuneration Committee.

16. DIRECTORS AND KEYMANAGERIAL PERSONNEL INFORMATION:

Reappointment of Retiring Director:

In accordance with the provisions of the Companies Act, 2013, Mr. Deepak Kukreti, Director is retiring at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Recommendation for appointment of Mr. Rao Sashikath, as Non executive Independent Director :

Mr.Rao Sashikanth was appointed as additional and independent director with effect from 23rd May, 2019. A resolution seeking shareholders' approval for his r appointment as Non executive Independent Director forms a part of the Notice.

Recommendation for appointment of Mrs. Kukreti Soumya, as Director :

Mrs. Kukreti Soumya was appointed as additional director with effect from 30th May, 2019 . A resolution seeking shareholders' approval for her appointment as Director forms a part of the Notice.

17. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

There were no qualifications, reservations or adverse remarks made either by the Auditors or by the Practicing Company Secretary in their respective reports.

18. DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules as per the applicable SEBI (LODR) Regulations, 2015.

19. EVALUATION OF THE BOARD'S PERFORMANCE:

In compliance with the requirements of Section 134(3) (p) of the Companies Act, 2013 and 17(10) of SEBI(LODR) Regulations, 2015, the performance of the Board was carried out during the year . The Board was evaluated for its performance based on the following factors:

- i. Attendance of Board Meetings and Committees;
- ii. Contribution made to the Board discussions and future planning;
- iii. Level of commitment to the stakeholders' interest;
- iv. Initiatives towards the growth of the business and profitability;
- v. Providing outlook, view points and feedback taking the Company ahead beyond expectations.

The evaluation involves Self-Evaluation by the Board Member and thereafter in the following manner:

- a) Individual Directors - The performance of the individual Directors' is evaluated by the Nomination and Remuneration Committee.
- b) Board and Committees - The Board evaluated its own performance and also of the Committees taking into consideration the above mentioned factors. A member of the Board does not participate in the discussion of his / her evaluation.

20. SECRETARIAL STANDARDS :

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

21. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors of your Company hereby report:

- (i) That in the preparation of Annual Accounts for the financial year ended 31st March, 2019, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any, therefrom;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors have prepared the Annual Accounts on a going concern basis.
- (v) They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given as Annexure -2 and forms part of this report.

23. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Company has conducted Five (5) Board Meetings during the financial year . The Board Meetings were held in compliance with the provisions of the Companies Act, 2013. The various committee meetings are held in accordance with the applicable provisions of the Companies Act, 2013, relevant rules made there under and SEBI (LODR) Regulations, 2015. The details of the same are provided in the Corporate Governance Report.

24. STATUTORY AUDITORS:

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 30th September, 2017.

25. AUDIT REPORT

The Notes to Accounts referred to in the Auditors Report are self explanatory and therefore do not call for any further comments.

26. INTERNAL AUDIT REPORT

Your Company continuously invests in strengthening its internal control process and appointed Mr. I.Venkateswarlu, M.Com, LL.M, who is having vast experience in the field of accounts, finance, Law, costing etc as Internal Auditor of the Company, The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provided a reasonable assurance in respect of providing financial and operational information complying with applicable statutes safe guarding assets of the Company and ensuring compliance with Corporate Policies. Procedures to ensure conformance with policies, standards and delegation of authority have been put in place covering all activities. Audit Committee periodically reviews the performance of internal audit system.

The Company has rigorous business planning system to set the targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action if required. The Audit Committee reviews adherence to the internal control system and internal audit reports. Further the Board actually reviews the effectiveness of the Company's internal control system.

27. SECRETARIAL AUDIT:

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has got the Secretarial Audit conducted from the Practicing Company Secretary.

A Secretarial Audit Report issued by a qualified Company Secretary in Practice, in Form MR-3, in respect of the secretarial audit of the Company for the financial year ended 31st March 2019, is provided in Annexure -3.

28. COST AUDIT

The Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendment Rules, 2014 as the turnover of the Company for the financial year 2018-2019 was below Rs. 35 Crores.

29. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return (MGT - 9) pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure-4 and is attached to this Report.

30. CORPORATE GOVERNANCE:

Pursuant to the Regulation 15(2) of SEBI (LODR) Regulations, 2015, the Regulations pertaining to the Corporate Governance i.e 17 to 27 & Clauses b to i of sub regulation 46(2) and para C, D & E of schedule V are not applicable to the Company since the net worth is less than 25 Crores and the paid up capital is less than 10 Crores as on the latest Audited Balance Sheet.

However the Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance of the SEBI(LODR) Regulations, 2015 to the extent applicable read with the provisions of the Companies Act, 2013 and relevant rules made there under . A separate report on Corporate Governance is annexed herewith, as a part of the Annual Report along with the Auditor's Certificate on its compliance.

31. PARTICULARS OF EMPLOYEES:

Comparison of the Remuneration of the KMP against the performance of the company. None of the KMPs at Board level have drawn remuneration during the year. Further, the Company has no person in its employment drawing salary of Rs. 60 lacs per annum or Rs. 5 lacs per month as defined under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) and 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

32. LISTING:

Your Company's shares are presently listed on the Stock Exchange of Bombay. The company is regular in payment of listing fee to BSE.

33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/REGULATORS.

During the year there were no significant and material orders passed by the Courts/Regulators.

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report, pursuant to Regulation 34 of the SEBI(LODR) Regulations, 2015 forms part of this Report and is annexed hereto.

35. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

The Company has constituted an Audit Committee as required under Section 177 of the Companies Act, 2013 and has also established Vigil Mechanism for their employees and Directors to report their genuine concerns or grievances.

The details of the same are explained in the Corporate Governance Report. The Board has accepted all the recommendations of the Audit Committee during the year under review as and when brought to their notice.

36. ACKNOWLEDGEMENTS:

The Board of Directors would like to place on record its appreciation towards all the employees & the managerial personnel of the company for their contribution in the operations of the company during the year under review. The Directors would also like to record their sincere thanks to the Company's bankers, Central and State Government officials, customers, vendors and the shareholders for their continued support and co-operation.

**BY THE ORDER OF THE BOARD
For MIDWEST GOLD LIMITED**

Deepak Kukreti
Whole Time Director
(DIN: 03146700)

B.S.Raju
Whole Time Director
(DIN: 01431440)

Place: Hyderabad
Date: 14.08.2019

ANNEXURE-1
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
The Company has not entered into any contract or arrangement or transactions with its related parties which is not arms length during the financial year 2018-2019.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts / arrangements/ transactions	Salient terms/ justification of the contracts or arrangements or transactions	The Value of the Contract/ arrangement (In Rs)	Amount paid as Advance (In Rs)/ Received
NIL	NIL	NIL	NIL	NIL	NIL

3. Date(s) of approval by the Board, if any: Not applicable.

BY THE ORDER OF THE BOARD
For MIDWEST GOLD LIMITED

Deepak Kukreti
Whole Time Director
(DIN: 03146700)

B.S.Raju
Whole Time Director
(DIN: 01431440)

Place: Hyderabad
Date: 14.08.2019

ANNEXURE - 2

FORM - A

Information under Section 134 (1) (m) of the Companies Act, 2013 Read with Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY:

- i. The Operations of the Company require extensive use of power and the company is supplementing its power requirement by use of generators installed in the Factory.
- ii. The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.
- iii. There is no impact of the measures at (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- iv. Disclosure under Form A is not applicable to the Company.

B. TECHNOLOGY ABSORPTION:

FORM B

(Disclosure of particulars with respect to technology Absorption)

i) Research and Development (R & D):

Specific areas in which R & D carried out by the Company	: NIL
Benefits derived as a result of the above	: NIL
Future plan of action	: NIL
Expenditure on R & D	: NIL
ii) Technology absorption, adaptation and innovation	: NIL

C) FOREIGN EXCHANGE EARNINGS AND OUT GO:

Foreign Exchange earnings and outgo:

(On accrual basis)

Rs in Lacs

Particulars	2018-2019	2017-2018
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange outgo	21.60	10.84

BY THE ORDER OF THE BOARD
For MIDWEST GOLD LIMITED

Deepak Kukreti
Whole Time Director
(DIN: 03146700)

B.S.Raju
Whole Time Director
(DIN: 01431440)

Place: Hyderabad
Date: 14.08.2019

ANNEXURE - 3

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Midwest Gold Limited,
Bangalore.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Midwest Gold Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon. Based on my verification of the M/s. Midwest Gold Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by Midwest Gold Limited for the financial year ended on 31st March, 2019 according to the applicable provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and amendments thereto:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and



- vi. Other laws applicable to the Company as per the representations made by the Management.

I have also examined compliance with the applicable Clauses/Regulations of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to Board and General Meetings,
- ii. The Listing Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the shares were also listed in Bombay Stock Exchange.

During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors to the extent applicable provisions of the Companies Act, 2013 read with relevant Rules made thereunder. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously. I further report that as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Bangalore
Date: 12.08.2019

G. Shyam Krishna
Company Secretary in Practice
Certificate of Practice No. 13041
M.No: A22569

This Report is to be read with my letter of even date which is annexed as Annexure -A and forms an integral part of this report.



‘Annexure - A’

To,
The Members,
Midwest Gold Limited,
Bangalore.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Bangalore
Date: 12.08.2019

G. Shyam Krishna
Company Secretary in Practice
Certificate of Practice No. 13041
M.No: A22569

ANNEXURE - 4

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- | | |
|---|---|
| i) CIN | L13200KA1990PLC011396 |
| ii) Registration Date | 20th November, 1990 |
| iii) Name of the Company | MIDWEST GOLD LIMITED |
| iv) Category/Sub-Category of the Company | Company Limited by Shares |
| v) Address of the | |
| a) Registered Office and contact details | 25-A, Attibele Industrial Area, Attibele,
Bangalore district, Karnataka-562 107.
Phone No.: 080 27820407, Fax: 27820207
Web Address: www.midwestgoldltd.com
E-mail-ID: novagranites1990@gmail.com |
| vi) Whether listed company | Yes |
| vii) Name, Address and Contact details
of Registrar /Transfer Agent, | Bigshare Services Private Limited.,
306,3rd Floor, Right Wing, Amrutha Ville,
Opp: Yashoda Hospital,
Rajbhawan Road, Somajiguda
Hyderabad - 500082.
Direct Desk: 040-23374967
Web Address: www.bigshareonline.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

S. NO	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURN-OVER OF THE COMPANY
1	Mining and processing of Gold, Diamond and precious metals and stones	07295	Nil
2	Processing / Trading of Granite, Marbles and other natural stones	23960	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Midwest Granite Pvt Ltd Add: 8-2-684/3/25&26, Road No.12, Banjara Hills, Hyderabad,Telangana-500034.	U14102AP1981PTC003317	Holding Company	70.63	2(46)



IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Category of Shareholders	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total		% of Total Shares
A. Promoter										
(1) Indian										
(a) Individuals/ Hindu Undivided Family	0	45850	45850	1.40	0	45850	45850	1.40		NIL
(b) Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00		NIL
(c) Bodies Corporate	2309500	0	2309500	70.63	2309500	0	2309500	70.63		NIL
(d) Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00		NIL
(e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00		NIL
(e-i) Directors/Relatives	0	0	0	0.00	0	0	0	0.00		NIL
(e-ii) Group Companies	0	0	0	0.00	0	0	0	0.00		NIL
Sub Total(A)(1)	2309500	45850	2355350	72.03	2309500	45850	2355350	72.03		NIL
(2) Foreign										
(a) Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00		NIL
(b) Bodies Corporate	0	0	0	0.00	0	0	0	0.00		NIL
(c) Institutions	0	0	0	0.00	0	0	0	0.00		NIL
(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00		NIL
(e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00		NIL
Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00		NIL
Total Shareholding of Promoter and Promoter Group										
(A) = (A)(1) + (A)(2)	2309500	45850	2355350	72.03	2309500	45850	2355350	72.03		NIL
(B) Public shareholding										
(1) Institutions										
(a) Mutual Funds/ UTI	0	4320	4320	0.13	0	4320	4320	0.13		NIL
(b) Financial Institutions / Banks	5490	0	5490	0.17	5490	0	5490	0.17		NIL
(c) Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00		NIL
(d) Venture Capital Funds	0	10860	10860	0.33	0	10860	10860	0.33		NIL
(e) Insurance Companies	0	0	0	0.00	0	0	0	0.00		NIL
(f) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00		NIL
(g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00		NIL
(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00		NIL
(i) Any Other (specify)	0	0	0	0.00	0	0	0	0.00		NIL
Sub-Total (B)(1)	5490	15180	20670	0.63	5490	15180	20670	0.63		NIL



(B2) Non-institutions													
(a) Bodies Corporate	6598	51280	57878	1.77	6584	51280	57864	1.77					
(b) Individuals	0	00	00	0	0	00	00	0					
(i) Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	64742	156481	221163	6.77	66932	154231	221163	6.76					0.01
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	0	614879	614879	18.80	614879	614879	614879	18.80					
(c) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00					
(d) Any Other (specify)	74	0	74	0.00	74	0	74	0.00					
Sub-Total (B)(2)	71340	822640	893980	27.34	73590	820464	893980	27.34					NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	76100	838550	914650	27.97	79080	835644	914650	27.97					NIL
TOTAL (A)+(B)	2385600	884400	3270000	100.00	2388580	881420	3270000	100.00					NIL
(C) Shares held by Custodians and against which Depository Receipts have been issued													
(1) Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00				0	NIL
(2) Public	0	0	0	0.00	0	0	0	0.00				0	NIL
Sub-Total (C)	0	0	0	0.00	0	0	0	0.00				0	NIL
GRAND TOTAL (A)+(B)+(C)	2386330	883670	3270000	100.00	2388580	881420	3270000	100.00				100.00	NIL



ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholder's Name	Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	MIDWEST GRANITE PRIVATE LIMITED	2309500	70.63	-	MIDWEST GRANITE PRIVATE LIMITED	2309500	70.63	-	NA
2	JAIN PAWAN K	33350	1.02	-	JAIN PAWAN K	33350	1.02	-	NA
3	JAIN DEEPAK K	12500	0.38	-	JAIN DEEPAK K	12500	0.38	-	NA

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S N	Name of the Promoter	Share holding at the beginning of the year		Date	Reason	Increase/ Decrease in share holding		Cumulative share holding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Midwest Granite Private Limited	2309500	70.63		N.A			2309500	70.63
2	JAIN PAWAN	33350	1.02	-	N.A	N.A	-	33350	1.02
3	JAIN DEEPAK K	12500	0.38	-	N.A	N.A	-	12500	0.38



**iv) Shareholding Pattern of top ten Shareholders:
(other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year:					
1	RAMA VARA PRASAD MEKA	150000	4.59	150000	4.59
2	A YADAGIRI	150000	4.59	150000	4.59
3	KODE SIVA KRISHNA	58515	1.78	58515	1.78
4	EURO GRANIT ENTERPRISE	39933	1.22	39933	1.22
5	GULLU ASSOMULL	37500	1.15	37500	1.15
6	PAMULAPATI DHANUNJAYA RAO	35000	1.07	35000	1.07
7	N VENKATA RAO	32750	1.00	32750	1.00
8	JAIN SANJAY K	32500	0.99	32500	0.99
9	CH RAMAKRISHNA	30960	0.95	30960	0.95
10	JAIN ANAND K	27070	0.83	27070	0.83
At the end of the year:					
1	RAMA VARA PRASAD MEKA	150000	4.59	150000	4.59
2	A YADAGIRI	150000	4.59	150000	4.59
3	KODE SIVA KRISHNA	58515	1.79	58515	1.78
4	EURO GRANIT ENTERPRISE	39933	1.22	39933	1.22
5	GULLU ASSOMULL	37500	1.15	37500	1.15
6	PAMULAPATI DHANUNJAYA RAO	35000	1.07	35000	1.07
7	N VENKATA RAO	32750	1.00	32750	1.00
8	JAIN SANJAY K	32500	0.99	32500	0.99
9	CH RAMAKRISHNA	30960	0.95	30960	0.95
10	JAIN ANAND K	27070	0.83	27070	0.83

v) Shareholding Pattern of Directors and Key Managerial Person(KMP):

SN	For Each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil		Nil	
	At the end of the year	Nil		Nil	



V. INDEBTEDNESS - INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	12,11,13,754	NIL	12,11,13,754
ii) Interest due but not paid	NIL	NIL	NIL	
iii) Interest accrued but not due	NIL	NIL	NIL	
Total (i+ii+iii)	NIL	12,11,13,754	NIL	12,11,13,754
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	12,11,13,754	NIL	12,11,13,754
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	12,11,13,754	NIL	12,11,13,754
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	12,11,13,754	NIL	12,11,13,754

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to managing director, whole-time directors and/or manager:

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-



B. Remuneration to Other Directors

S.No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial	-	-	-	-	-
	Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to key managerial personnel other than MD/Manager/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,06,694	7,60,347	9,67,041
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total		2,06,694	7,60,347	9,67,041

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and other statutory requirements. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

INDUSTRY REVIEW

Recent global trends indicate that there is a rising demand relative to supply and increasing cost of mining leading to an increase in commodity prices. Replenishing mineral reserves has become more difficult due to declining ore grades and additional challenges such as inadequate infrastructure and human capital, critical to support the growth of the sector. The Governments worldwide are adopting progressive policy measures to boost mining and mineral exploration in their countries. The Indian Government, too, has initiated several measures like the new mining legislation and Sustainable Development Framework.

RISKS AND CONCERNS:

The Company is planning to acquire prospecting licences of natural stones, gold and other minerals which are highly speculative in nature and subject to several approvals and operational risks. These risks include exploration and mining risks, delays in approvals to undertake exploration activities, delays in grant of appropriate mineral concession licences, actual resources differing from estimates, operational delays and the availability of equipment, personnel and infrastructure.

The Company is also dependent on key personnel and subject to actions of third parties, including the staff, other contractors and suppliers.

The Company's operations are also subject to government laws and regulations, particularly environmental and land acquisition regulations.

The Company's future revenues from product sales will be affected by changes in the market price of gold and other natural stones which is affected by numerous factors which are beyond its control. These include international supply and demand, the level of consumer product demand, international economic trends, currency exchange rate fluctuations, the level of interest rates, rate of inflation, global or regional political events and international events as well as a range of other market forces.

In the absence of cash flow from operations, the Company may have to rely on capital markets / private equity investment to fund its operations. The Company's ability to raise further funds will depend on the success of existing operations.

All the above factors notwithstanding, your Company and its Directors believe that they have adequate experience and access to expertise and capital sources that will enable the Company to successfully develop, launch and execute its projects successfully.

OUT LOOK AND OPPORTUNITIES :

India has the right geological potential for discovery and development of new mines. With the untapped mineral potential in India, the contribution of the mining sector in the GDP should aspire to around 7-8% over 20 years. The mining sector needs to play a major role if India has to realize the potential growth of 9% per annum in the coming years.

To unlock the potential of the mineral sector, the Indian Government would need to rework the legislative framework for transparent, safe, scientific & sustainable mining and effective regulation. Concerted action is required to promote scientific exploration for expanding the mineral reserves in India to its full potential. India needs to ensure globally best, fair, transparent and efficient process for the mineral concession system that reduces permit delays to create a more favourable policy environment.

Despite all these shortcomings, the mineral exploration and mining sector holds substantial potential to contribute to the growth of the economy and create value for all stakeholders, including the Central Government, State Government (s) and the community at large.

To sum up Midwest Gold Limited will implement the licences of the mines if the government of India allot the licences in its favor with state of the art technology; a large pool of well trained geologists, geophysicists and mining engineers to generate a mineral-based economic development of enormous scale and value.

Apart from the above the company is doing trading of imported marble and exporting granite blocks produced out of local quarries to generate revenues to meet its day to day funds requirements. The company is trying to capture the domestic as well as international granite and marble markets to enhance its opportunities to achieve its objects.

RISK MANAGEMENT :

The Company has the mechanism to combat the risks of exposure to Business, Assets and Financial Risks in the form of competition, accidents, natural calamities, obsolescence, and fluctuations in foreign currency etc. The management of your company is on constant vigil to combat any eventuality that may pose threat to the company's business.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data. The Company has a well defined organization structure with clear functional authority, limits for approval of all transactions. The Company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance. Company updates its internal control system from time to time, enabling it to monitor employee adherence to internal procedures and external regulatory guidelines.



FINANCIAL PERFORMANCE & OUTLOOK:

Your Company has achieved a Turnover of Rs. 10,66,461/- excluding other income of Rs. 8,13,435/- when compared to Rs. 12,23,850/- excluding other income of Rs. 64,79,081 during previous year. The operations of the Company resulted in loss of Rs. 74,88,313/- when compared to loss of Rs. 1,34,35,441/- during previous year.

The management has done well to ensure sustain operations. However, due to high cost and expenditure, the operations resulted into losses. Efforts are being made to reduce the costs involved. The Management is also looking to get profits in the ensuing financial year.

PERSONNEL:

Human wealth is the ultimate wealth for any industry. The Company recognizes this fact and understands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company at any point of time during the year.

CAUTIONARY STATEMENT :

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, natural calamities over which the Company does not have any direct control.

BY THE ORDER OF THE BOARD
For MIDWEST GOLD LIMITED

Deepak Kukreti
Whole Time Director
(DIN: 03146700)

B.S.Raju
Whole Time Director
(DIN: 01431440)

Place: Hyderabad
Date: 14.08.2019

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Corporate Governance is the set of processes, customs, policies, laws and institutions affecting the way a company is directed, administered or controlled. It is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers.

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

Pursuant to the Regulation 15(2) of SEBI (LODR) Regulations, 2015, the Regulations pertaining to the Corporate Governance i.e 17 to 27 & Clauses b to i of sub regulation 46(2) and para C, D & E of schedule V are not applicable to the Company since the net worth is less than 25 Crores and the paid up capital is less than 10 Crores as on the latest Audited Balance Sheet.

However the Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance of the SEBI (LODR) Regulations, 2015 to the extent applicable read with the provisions of the Companies Act, 2013 and relevant rules made there under.

2. BOARD OF DIRECTORS

As on March 31, 2019, the Company has 3 Directors. Of the Three Directors, two (i.e. 66.66%) are Executive Directors and one (i.e. 33.33%) is Independent Director. The composition of the Board is in conformity with Section 149 of the Act.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 have been made by the Directors. None of the Directors are related to each other.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

During the Financial year ended 31st March, 2019, Board of Directors met 5 (Five) times as mentioned below and gap between two Board meetings did not exceed 120 days:

10.04.2018	30.05.2018	14.08.2018
14.11.2018	14.02.2019	

The attendance at the Board Meetings conducted during the 12 months period ended 31st March, 2019 and at the Annual General Meeting as also the number of Directorships and committee memberships (other than Midwest Gold Limited) are given below:

Name of Director	Category	Designation	No. of Board Meetings Attended	Attendance at previous AGM	No. of Directorships held in other companies		No. of other Board/ Committee he/ She is a Member/ Chairman	
					Public	Private	Public	Private
K. Deepak	Executive	Whole Time Director	5	Yes	--	3	--	--
P.K.Tyagi	Promoter & Non-Executive	Director*	4	Yes	--	--	--	--
P. Harinadha Babu	Non-Executive, Independent	Director**	4	Yes	--	--	--	--
B S Raju	Whole Time Director	Whole Time Director	5	Yes	1	6	--	--
G.Nityanad	Non-Executive, Independent	Director***	5	Yes	--	--	--	--
K.Neelima	Women Independent Director	Director	5	Yes	--	--	--	--
Rao Sashikanth	Non-Executive, Independent	Director^	--	--	--	--	--	--
K.Soumya	Non Executive Director	Additional Director^^	--	--	--	6	--	--

* P.K.Tyagi has resigned as Director w.e.f 14.02.2019

** P.Harinadha Babu has resigned as Director w.e.f 14.02.2019

*** G.Nityanand has resigned as Director w.e.f 23rd April, 2019.

^ Mr. Rao Sashikanth was appointed as Additional Independent Director w.e.f 23.05.2019

^^ Mrs. K.Soumya was appointed as Additional Director w.e.f 30.05.2019

3. AUDIT COMMITTEE

The Committee consists of 2 independent and Non-Executive Directors and one Whole Time Director, which provides assistance to the Board of Directors in fulfilling its oversight responsibilities. The Audit committee has been entrusted with the responsibilities as laid down under SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

The terms of reference as per SEBI Listing Regulations are as follows:

- i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.
- ii. The terms of reference of the audit committee are broadly as under:
 - ★ Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - ★ Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - ★ Approval of payment to statutory auditors for any other services rendered by the statutory Auditors.
 - ★ Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:



- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
- Changes, if any, in accounting policies and practices and reasons for the same. Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- ★ Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- ★ Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- ★ Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- ★ Approval or any subsequent modification of transactions of the Company with related parties; Scrutiny of inter-corporate loans and investments;
- ★ Examination of the financial statement and the auditors' report thereon;
- ★ Valuation of undertakings or assets of the company, wherever it is necessary;
- ★ Evaluation of internal financial controls and risk management systems;
- ★ Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- ★ The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- ★ The audit committee shall review the information required as per SEBI Listing Regulations.
- iii. The audit committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.
- iv. In terms of the Insider Trading Code adopted by the Company in FY 2018-19, the Committee considers the following matters:
 - To approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the Insider Trading Code.

- To note and take on record the status reports detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer on a quarterly basis.
- To provide directions on any penal action to be initiated, in case of any violation of the Regulations by any person.
- v. Mr. Manish Tarachand Pande, Company Secretary was appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.
- vi. Quarterly Reports are sent to the members of the Committee on matters relating to the Insider Trading Code.
- vii. The previous Annual General Meeting (“AGM”) of the Company was held on 28th September 2018 and was attended by Mr. G. Nityanand , Chairman of the audit committee.

Composition:

The composition of the audit committee and the details of meetings attended by its members are given below :

Name	Designation	Category	No.of Meetings held during the financial year 2018-2019	
			Held	Attended
Mr G. Nityanand	Chairman	Independent Non Executive Director	4	4
Mr B.S.Raju	Member	Whole Time Director	4	4
Mrs. K. Neelima	Member	Independent Non Executive Director	4	4

Meetings during the year:

During the Financial year ended 31st March, 2019, the Audit Committee met 4 times as follows:

30.05.2018	14.08.2018	14.11.2018	14.02.2019
------------	------------	------------	------------

The Company continued to derive immense benefit from the deliberations of the Audit Committee. Mr G. Nityanand, who headed the Audit Committee as Chairman has rich experience and knowledge in Finance, and Accounts. The members always added value for the Company. Minutes of each Audit Committee are placed before the Board and discussed in the meeting.

4. NOMINATION & REMUNERATION COMMITTEE

Terms of Reference:

The terms of reference as per SEBI Listing Regulations is to determine and review the remuneration, performance, and related bonuses of Executive Director(s), if any.

Composition

During the year nomination & remuneration committee constituted with following directors:

Name	Designation	Category	No. of Meetings held during the financial year 2018-2019	
			Held	Attended
Mr B.S.Raju	Member	Whole Time Director	2	2
Mr G. Nityanand	Member	Independent Non Executive Director	2	2
Mrs. K. Neelima	Chairman	Independent Non Executive Director	2	2

Remuneration paid to Directors during the financial year 2018 - 2019:

Executive Directors: NIL

Non - Executive Directors: NIL

During the financial year 2018-2019 Two Nomination & Remuneration committee meetings were held on 10.04.2018 and 14.11.2018, wherein the committee has reviewed the policies pursuant to the section 178 of the Companies Act, 2013 .

Shareholding of Non-Executive Director:

None of the Non-Executive Independent Directors of the Company hold shares in the Company.

5. STAKEHOLDER RELATIONSHIP COMMITTEE (SHAREHOLDERS / INVESTOR GRIEVANCE AND SHARE TRANSFER COMMITTEE):

Brief description of terms of reference:

The Committee focuses on shareholders' grievances and strengthening of investor relations. The committee looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors.

The Committee specifically looks into investor complaints like Transfer/ transmission/ transposition of shares, non receipt of Annual Report, non - receipt of dividend, and other related issues.

Composition

The committee consists of the following directors:

Name	Designation	Category	No. of Meetings held during the financial year 2018-2019	
			Held	Attended
Mr G.Nityanand	Chairman	Independent Non Executive Director	2	2
Mr B.S Raju	Member	Whole Time Director	2	2
Mr K.Nilima	Member	Independent Non Executive Director	2	2

During the financial year 2018-2019 Two meetings were held on 30.05.2018 and 14.11.2018.

Mr. Manish Tarachand Pande, Company Secretary is the Compliance Officer of the Company for attending to Complaints / Grievances of the members. The address for correspondence is provided below:

Corp Off:Midwest Gold Ltd

8-2-684/3/25&26, Road No.12, Banjara Hills, Hyderabad,

Telangana- 500 034, Phone No.: 040-23305194, Fax: 23305167.

There are no outstanding complaints as on 31st March 2019.

Other committees:

i. Ethics and compliance committee:

In terms of the Code of Conduct of the company for prevention of insider trading and code of corporate disclosure practices ("Insider Trading Code") adopted by the Company, applicable to the directors, officers and other employees, the Company has an ethics and compliance committee of directors. The Committee considers matters relating to the Insider Trading Code and the Company's Code of Conduct ("COC").

The Company has also formulated an anti bribery and anti corruption policy and gifts policy which are monitored by the ethics and compliance committee. Monthly reports are sent to the members of the committee on matters relating to the Insider Trading Code and the COC. Two meetings of the ethics and compliance committee were held during the year.

The composition of the ethics and compliance committee and details of the meetings attended by its members are given below

Name	Designation	Category	No. of Meetings held during the financial year 2018-2019	
			Held	Attended
Mr G.Nityanand	Chairman	Independent Non Executive Director	2	2
Mr B.S Raju	Member	Whole Time Director	2	2
Mr K.Neelima	Member	Independent Non Executive Director	2	2

During the financial year 2018-2019 two meetings were held on 30.05.2018 and 14.02.2019

ii. Risk Management committee:

The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls.

The composition of the risk management committee and details of the meetings attended by its members are given below:

Name	Designation	Category	No.of Meetings held during the financial year 2018-2019	
			Held	Attended
Mr G.Nityanand	Chairman	Independent Non Executive Director	2	2
Mr B.S Raju	Member	Whole Time Director	2	2
Mrs K.Neelima	Member	Independent Non Executive Director	2	2

During the year, two meetings of the risk management committee were held on 30.05.2018 and 14.11.2018.

6. MEETINGS OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings enable Independent Directors to discuss matters pertaining to the Company's affairs and matters mentioned in Schedule IV to the Companies Act, 2013. The Independent Directors take appropriate steps to present their views to the Chairman. Two meetings of Independent Directors were held during the year on 30.05.2018 and 14.11.2018. All the independent directors were present.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A Report of the Management Discussion and Analysis is attached as part of the Annual Report.

8. GENERAL BODY MEETINGS:

Venue and time where the last three AGMs held :

Year	AGM	Venue	Day & Date	Time
2016	26th	25-A, Attibele Industrial Area, Attibele, Bangalore district, Karnataka-562 107.	Friday, 30th September, 2016	11.30 A.M
2017	27th	25-A, Attibele Industrial Area, Attibele, Bangalore district, Karnataka-562 107.	Saturday, 30th September, 2017	11.30 A.M
2018	28th	25-A, Attibele Industrial Area, Attibele, Bangalore district, Karnataka-562 107.	Friday, 28th September, 2018	11.30A.M

9. DISCLOSURES :

Related Party Transaction (Shown in Notes to Accounts)

There are no materially significant related party transactions i.e., transactions material in nature, with its Promoters, the directors or the management, their subsidiaries or relatives, etc. having potential conflict with the interests of Company at large.

10. PENALTIES FOR NON-COMPLIANCE:

There were no penalties and strictures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

11. C.E.O/C.F.O. CERTIFICATION

To
The Board of Directors
Midwest Gold Limited
(Formerly Nova Granites (India) Limited)

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

We, S. Anand Reddy, CFO and B.S. Raju, Whole Time Director of the Company to the best of our knowledge and belief, certify that:

- a. We, have reviewed the financial statements and the cash flow statement for the year 2018-19 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
- b. There are to the best of our knowledge and belief, no transactions entered into by the company during the year 2018-19 which are fraudulent, illegal or violative of the company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting.
- d. There are no deficiencies in the design or operation of internal controls.
- e. We have disclosed to the Company's Statutory Auditors and to the Audit Committee of the board that:
 - There were no significant changes in internal control over financial reporting during the year under review.
 - There were no significant changes in accounting policies during the year.
 - There were no Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

S. Anand Reddy
Chief Financial Officer

B.S Raju
Whole Time Director
DIN : 01431440

Place: Hyderabad
Date: 14.08.2019

12. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting

Day, Date and time	: Wednesday , 25th Day of September, 2019 at 11.30 A.M
Venue	: 25-A, Attibele Industrial Area Attibele, Bangalore district, Karnataka-562 107
Book Closure Date	: 19.09.2019 to 25.09.2019 (Both days inclusive)
Dividend	: No dividend is recommended for the year.
Listing on Stock Exchanges	: The shares of the company listed on Bombay Stock Exchange Limited
Stock Code	: BSE - 526570
ISIN	: INE519N01014
Registrars and Transfer Agents	: Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be sent to : Bigshare Services Private Limited 306, Right wing, Amrutha Ville Opp. Yashoda Hospital, Somajiguda Rajbhawan Road, Hyderabad-500082 Tel- 91-40-2337 4967 Fax- 91-40-2337-0295 Email:bsshyd@bigshareonline.com Website:bigshareonline.com

13. SHARE TRANSFER SYSTEM:

The R & T Agent process the Physical Share Transfers and the Share Certificates are returned to the shareholder within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

14. ISSUE OF EQUITY SHARES : Nil

15. STOCK/MARKET PRICE DATA :

The monthly high / low prices of shares of the Company from April, 2018 to March, 2019 at BSE Limited is given below:

Month	High (Rs.)	Low (Rs.)
April, 2018	NIL	NIL
May, 2018	13.12	13.12
June, 2018	NIL	NIL
July, 2018	NIL	NIL
August, 2018	NIL	NIL
September, 2018	NIL	NIL
October, 2018	NIL	NIL
November, 2018	NIL	NIL
December, 2018	13.00	13.00
January, 2019	NIL	NIL
February, 2019	13.65	13.00
March, 2019	NIL	NIL

16. DISTRIBUTION OF HOLDINGS AS ON 31.03.2019

Shares or Debenture holding of shares Nos.	Share/ Debenture Holders		Share/ Debenture Amount	
	Number	% to Total	In Nos.	% to Total
(1)	(2)	(3)	(4)	(5)
Upto - 500	6731	99.0581	1417160	4.3338
501 - 1,000	22	0.3238	157310	0.4811
1,001 - 2,000	12	0.1766	176800	0.5407
2,001 - 3,000	2	0.0294	54000	0.1651
3,001 - 4,000	3	0.0442	104640	0.3200
4,001 - 5,000	1	0.0147	50000	0.1529
5,001 - 10,000	5	0.0736	362600	1.1089
10,001 - 99,99,999	19	0.2796	30377490	92.8975
Total	6795	100.00	3270000	100.00

17. OUTSTANDING GDR'S / ADR'S / WARRANT OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued any of these instruments till date.

18. RECONCILIATION OF SHARE CAPITAL :

A qualified practicing Company Secretary carries out Audit of Reconciliation of Share Capital every quarter to reconcile the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form & in the Electronic Form.

19. ADDRESS FOR CORRESPONDENCE:

Plant Locations : 25-A, Attibele Industrial Area, Attibele, Bangalore District, Karnataka-562 107
Registered Office : 25-A, Attibele Industrial Area, Attibele, Bangalore District, Karnataka-562 107
Corporate Office : 8-2-684/3/25&26, Road No.12, Banjara Hills, Hyderabad, Telangan-500034. Phone No.: 040-23305194. Fax : 23305167

20. MEANS OF COMMUNICATION:

The quarterly, half-yearly and annual results of the Company are published in leading newspapers in Business Standard in English & Sanjevani in Kannada. The results are also displayed on the Company's website "www.midwestgoldltd.com".

21. NOMINATION FACILITY:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014 are requested to submit to the Company the prescribed Form SH-13 and / or SH-14 for this purpose.

22. CODE OF CONDUCT FOR THE BOARD & SENIOR MANAGEMENT PERSONNEL:

The Company has laid down a Code of Conduct which has been effectively adopted by the Board Members and Senior Management Personnel of the Company.

23. DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

MIDWEST GOLD LIMITED has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

We, hereby certify that the Board of Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2018-19.

BY THE ORDER OF THE BOARD
For **MIDWEST GOLD LIMITED**

Deepak Kukreti
Whole Time Director
(DIN: 03146700)

B.S.Raju
Whole Time Director
(DIN: 01431440)

Place: Hyderabad
Date: 14.08.2019



CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
MIDWEST GOLD LIMITED
(Formerly NOVA GRANITES (INDIA) LIMITED)
Bangalore

We have examined the compliance of conditions of corporate governance by M/s. MIDWEST GOLD LIMITED (Formerly NOVA GRANITES (INDIA) LIMITED) for the year ended 31st March, 2019, as per SEBI (LODR) Regulations, 2015 to the extent applicable read with the provisions of the Companies Act, 2013 and relevant rules made there under :

The compliance of the conditions of the corporate governance is the responsibility of the Management. Our examinations were limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor expression of the opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate Governance as stipulated in the above mentioned listing Regulations.

Pursuant to the Regulation 15(2) of SEBI (LODR) Regulations, 2015, the Regulations pertaining to the Corporate Governance i.e 17 to 27 & Clauses b to i of sub regulation 46(2) and para C, D & E of schedule V are not applicable to the Company since the net worth is less than 25 Crores and the paid up capital is less than 10 Crores as on the latest Audited Balance Sheet.

However the Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance of the SEBI(LODR) Regulations, 2015 to the extent applicable read with the provisions of the Companies Act, 2013 and relevant rules made there under.

We state that no investor grievances were pending for a period exceeding 15days against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For M/s. **B R N Murthy And Associates**,
Chartered Accountants, Bangalore
(Firm Registration Number - 011309 S).

CA Narshimha murthy B R
Proprietor
M. No. 214628

Place: Bangalore
Date: 14.08.2019

INDEPENDENT AUDITOR'S REPORT

To the Members of
MIDWEST GOLD LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MIDWEST GOLD LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) pre-scribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS,

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;

(b) In the case of the Statement of Profit and Loss, of the profit of the Company including other comprehensive income, for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows of the Company and changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on the audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended

e) on the basis of the written representations received from the directors of the company as on 31 March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act; and

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s. **B R N Murthy And Associates**,
Chartered Accountants , Bangalore
(Firm Registration Number - 011309 S).

CA Narshimha murthy B R
Proprietor

M. No. 214628

PLACE : Bangalore

DATE : 30/05/2019

Annexure – “A” to the Independent Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Midwest Gold Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Midwest Gold Limited (“the Company”) as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- 1. pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company*
- 2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and*
- 3. Provide reasonable assurance regarding prevention or timely detection of un-authorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.*

Limitations of Internal Financial Controls over Financial Reporting.

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the polices or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

For M/s. **B R N Murthy And Associates,**
Chartered Accountants , Bangalore
(Firm Registration Number - 011309 S).

CA Narshimha murthy B R
Proprietor
M. No. 214628

PLACE : Bangalore
DATE : 30/05/2019

Annexure - "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Midwest Gold Limited of even date)

1. In respect of the company's fixed assets:

- a) *The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.*
 - b) *The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, substantial portion of fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.*
 - c) *According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties, are held in the name of the Company as at the balance sheet date. In respect*
 - d) *of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.*
2. a) *The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.*
 - (b) *In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.*
 - (c) *In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the books of account were not material and have been properly dealt with in the books of accounts.*
3. *According to the information and explanations given to us, the Company has not granted unsecured loans to bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013.*
 4. *In Our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.*
 5. *The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company. .*
 6. *The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.*
 7. *According to the information and explanations given to us, in respect of statutory dues:*



- (a) *The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.*
- (b) *There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.*
- (c) *There are no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute.*
8. *The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company*
9. *The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.*
10. *To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.*
11. *In our opinion and according to the information and explanations give to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.*
12. *The Company is not a Nidhi company and hence reporting under clause 3(xii) of the order is not applicable to the company.*
13. *In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.*
14. *During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.*
15. *In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.*
16. *The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.*

For M/s. B R N Murthy And Associates,
Chartered Accountants , Bangalore
(Firm Registration Number - 011309 S).

CA Narshimha murthy B R
Proprietor
M. No. 214628

PLACE : Bangalore
DATE : 30/05/2019



MIDWEST GOLD LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2019

	Notes	As at March 31, 2019	As at April 01, 2018
ASSETS			
Non-current assets			
(a) Property , Plant and Equipment	3	22,908,951	24,878,423
(b) Capital Work in progress		-	-
(c) Deferred tax Asset (Net)	4	31,316,717	32,347,775
(d) Financial assets			
- Deposits	5	6,109,324	6,431,468
		60,334,992	63,657,666
Current assets			
(a) Inventories	6	9,015,830	7,241,864
(b) Financial assets			
- Trade receivables	7	50,656,015	50,656,015
- Cash and Cash Equivalents	8	2,123,440	467,131
(c) Other current financial Assets			
- Loans and Advances	9	8,619,037	7,125,339
		70,414,322	65,490,349
		130,749,314	129,148,015
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	32,700,000	32,700,000
(b) Other Equity	11	(102,352,175)	(94,863,862)
Total equity		(69,652,175)	(62,163,862)
LIABILITIES			
Non-current liabilities			
(a) Provisions	12	222,966	191,221
		222,966	191,221
Current liabilities			
(a) Financial liabilities			
- Borrowings	13	121,113,754	121,113,754
- Trade payables	14	40,275,921	38,288,841
(b) Other current liabilities	15	38,724,305	31,640,229
(c) Provisions	16	64,543	77,832
		200,178,523	191,120,656
Total liabilities		200,401,489	191,311,877
TOTAL EQUITY AND LIABILITIES		130,749,314	129,148,015

The notes are an integral part of these financial statement
Summary of Significant accounting policies

1 & 2

As per our report of even date

For and on behalf of the Board

For **B R N MURTHY & ASSOCIATES**

Chartered Accountants

CA Narasimha Murthy B R

PROPRIETOR

M. No. 214628

Place : Bangalore
Date : 30-05-2019

Deepak Kukreti

Whole Time Director
DIN :03146700

S Anand Reddy
Chief Financial Officer

B.S.Raju

Whole Time Director
DIN: 01431440

Manish Tarachand Pandey
Company Secretary &
Compliance Officer



MIDWEST GOLD LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
INCOME			
Revenue from Operations	17	1,066,461	1,223,850
Other Income	18	813,435	6,479,081
Total Income		1,879,896	7,702,931
Expenses			
Cost of Raw Materials Consumed	19	298,401	982,697
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	20	-1,546,028	-
Purchases of stock in trade	21	2,160,045	1,084,040
Employee benefit expenses	22	1,060,405	1,371,136
Finance Cost	23	20,569	36,025
Other Expenses	24	4,374,287	4,316,503
Depreciation and Amortization expenses	25	1,969,472	2,887,269
Total Expenses		8,337,151	10,677,670
Profit/(loss) before exceptional items and tax from continuing operations		(6,457,255)	(2,974,739)
Exceptional Items		-	-
Profit/(loss) before tax from continuing operations		(6,457,255)	(2,974,739)
Tax Expenses			
Current tax		-	-
Less: Mat Credit		-	-
Net Current Tax		-	-
Adjustment of tax related to earlier periods		-	-
Deferred tax		1,031,058	10,460,702
Income Tax Expense		1,031,058	10,460,702
Profit for the year from Continuing Operations		(7,488,313)	(13,435,441)
Other Comprehensive Income (OCI)		-	-
Total Comprehensive Income for the year comprising profit (loss) and Other Comprehensive income for the period			
Earnings per equity share (nominal value of share Rs.10/- (31 march, 2019 : Rs.10/-)	26	(7,488,313)	(13,435,441)
Basic			
Computed on the basis of profit/(loss) from continuing operations		(2.29)	(4.11)
Computed on the basis of total profit/(loss) for the year		(2.29)	(4.11)
Diluted			
Computed on the basis of profit/(loss) from continuing operations		(2.29)	(4.11)
Computed on the basis of total profit/(loss) for the year		(2.29)	(4.11)

The notes are an integral part of these financial statement

Summary of Significant accounting policies

1 & 2

Contingencies & Commitments

31

As per our Report of even date.

For **B R N MURTHY & ASSOCIATES**

For and on behalf of the Board

Chartered Accountants

Deepak Kukreti

B.S.Raju

CA Narasimha Murthy B R

Whole Time Director

Whole Time Director

PROPRIETOR

DIN :03146700

DIN: 01431440

M. No. 214628

S Anand Reddy

Manish Tarachand Pandey

Place : Bangalore

Chief Financial Officer

Company Secretary &

Date : 30-05-2019

Compliance Officer

MIDWEST GOLD LIMITED
(formerly NOVA GRANITES (INDIA) LIMITED)
Cash flow statement for the year ended 31st March, 2019

Amount in Rs.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow from operating activities		
Profit/(Loss) from continuing operations	(6,457,255)	(2,974,739)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	1,969,472	2,887,269
Interest Expense	599	-
Interest Income	(237,401)	(227,450)
Decrease/(Increase) in trade payables	1,987,080	(5,906,970)
Increase/(decrease) in long-term provisions	31,745	28,863
Increase/(decrease) in short-term provisions	(13,289)	5,248
Increase/(decrease) in other current liabilities	7,084,076	7,084,836
Decrease/(Increase) in trade receivables	-	(281,223)
Decrease/(Increase) in inventories	(1,773,966)	(334,346)
Decrease/(Increase) in long-term loans and advances	-	(516,000)
Decrease (Increase) in short-term loans and advances	(1,333,554)	69,933
Net cash flow from/(used in) operating activities (A)	1,257,507	(164,579)
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and	-	(18,300)
Interest received	237,401	227,450
Net cash flow from/(used in) investing activities (B)	237,401	209,150
Cash flows from financing activities		
Interest paid	(599)	-
Net Cash flow from/(used in) financing activities (C)	(599)	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,494,309	44,571
Cash and cash equivalents at the beginning of the year	467,131	-
Cash and cash equivalents at the end of the year	1,961,440	44,571
Components of cash and cash equivalents		
Cash on hand	120,795	198,819
Cheques /drafts on hand		
With banks -on current account	1,450,645	268,312
- on deposit account	390,000	-
Total cash and cash equivalents (note 18)	1,961,440	467,131

For and on behalf of the board of directors

For **B R N MURTHY & ASSOCIATES**

Chartered Accountants

CA Narasimha Murthy B R

PROPRIETOR

M. No. 214628

Place : Bangalore

Date : 30-05-2019

For and on behalf of the Board

Deepak Kukreti

Whole Time Director

DIN :03146700

S Anand Reddy
Chief Financial Officer

B.S.Raju

Whole Time Director

DIN: 01431440

Manish Tarachand Pandey
Company Secretary &
Compliance Officer

Notes annexed to and forming part of the Financial Statements

1. Corporate Information

- 1.1 Midwest Gold Limited (the Company or MGL) is a public limited company incorporated under the provisions of erstwhile Companies Act, 1956 having its registered office at Bangalore in the state of Karnataka, India. The Equity Shares of the Company are listed with Stock Exchanges in India viz., BSE Limited, Mumbai.
- 1.2 The Company is presently engaged in the trading business of Granite, Marbles and gold.
- 1.3 These financial statements are approved and authorised for issue by the Board of Directors on May 30, 2019.

2. Basis of Preparation of financial statements

The financial statements have been prepared as a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy. The financial statements are presented in Indian Rupees (INR).

Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the company under Ind AS. Refer note 30 which explains, of how the transition from previous GAAP to Ind AS was carried out in accordance with Ind AS 101 First- Time Adoption of Indian Accounting Standards with the date of transition as April 01, 2016 and the effect of transition on the company's financial position, financial performance and cash flows.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule-III of the Companies Act 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of Current or non-current classification of assets and liabilities.

An asset is classified as current if:

- (i) It is expected to be realised or sold or consumed in the Company's normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current if:

- (i) It is expected to be settled in normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be settled within twelve months after the reporting period;
- (iv) It has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as noncurrent only.

2.1 Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are detailed hereafter. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Whole Time Director has been identified as the Chief Operating Decision Maker. Refer Note 28 for the segment information presented.

2.3 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). Indian Rupees is the functional currency of the company. The financial statements and all financial information is presented in Indian rupee (INR).

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency, using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.4 Use of estimates, assumptions and judgements

The preparation of financial statements in conformity with Ind AS requires management of the Company to make estimates and assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets; liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Estimates and underlying assumptions are reviewed

on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Following are the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Revenue is recognised when the amount of revenue can be reliably measured: probable that future economic benefits will flow to the entity and specific criteria for each of the activities as described below has been met.

Sale of Goods - Recognition & Measurement

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Sale of Services - Recognition & Measurement

Revenue from Sale of services is recognised as per the terms of the contracts with customers when the related services are performed or the agreed milestones are achieved.

Dividend Income

Dividend income on investments is accounted for when the right to receive the same is established. Dividend income is included in Other Income in the Statement of Profit and Loss.

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.6 Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially owns all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding lease obligations, net of finance charges, are included in borrowings

or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.7 Property, Plant and Equipment

i) Recognition and measurement

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs if any of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

ii) Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing property, plant and equipment, including day-today repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit and loss in the period the item is derecognised.

iv) Depreciation expense

Depreciation is charged on straight line basis so as to write off the depreciable

amount of the asset over the useful lives specified in Schedule II to the Act. The useful life of the assets is periodically reviewed and re-determined based on a technical evaluation and expected use.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

2.8 Financial Instruments

Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

(i) Financial Assets

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition

The Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement - Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- i. At amortised cost: Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

- ii. At fair value through other comprehensive income (FVOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payment of principle and interest on the principle amount outstanding and selling financial assets.
- iii. At fair value through profit or loss (FVTPL): Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(ii) Financial liabilities

Classification, initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Trade and other payables

Trade and other payables represent liabilities for goods and services prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset the difference between the carrying amount and the consideration received is recognised in the statement of profit and loss.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. On de-recognition of a financial liability the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

Financial guarantee contracts

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee or the estimated amount that would be payable to a third party for assuming the obligations.

As Guarantor

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 109 and the amount initially recognised less cumulative amortisation, where appropriate.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

As Beneficiary

Financial guarantee contracts are recognised as a financial asset at the time the

guarantee is taken. The asset is initially measured at fair value and subsequently amortised over the guarantee period.

Where guarantees in relation to loans or other payables are provided by company for no compensation, the fair values are accounted for as contributions and recognised as part of equity.

2.9 Impairment of Assets

Financial assets

The Company assesses at each date of balance sheet impairment if any of a financial asset or a group of financial assets. The company uses, in accordance with Ind AS 109, 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to: The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Non-financial assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability when there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and impairment loss is recognised in the profit or loss.

2.10 Equity instruments

An equity instrument is a contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.11 Borrowing costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to make it ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

2.12 Inventories

Raw materials, stores, spares and consumables are valued at lower of cost, calculated on Weighted Average basis. Items held for use in the production of inventories are not written down below cost if the finished product in which these will be incorporated are expected to be sold at or above cost.

Finished goods and work-in-progress are valued at lower of cost and net realisable value. Cost includes materials, labour and a proportion of appropriate overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a Weighted Average basis.

Trading goods are valued at lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the prevailing tax laws for the year.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Current tax assets and current tax liabilities are presented in the statement of financial position after off-setting the taxes paid or deemed to be paid and current income tax expenses are the year.

Deferred income taxes

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow total or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax after the tax holiday period.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

The Company recognises interest related to income tax in interest expenses.

2.14 Provisions, contingent liabilities and contingent asset

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.15 Employee benefits

(i) Short term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for accumulating compensated absences not expected to be settled wholly within 12 months after the end of the period in which the employees render



the related service are measured at the present value of expected future payments to be made in respect of services provided using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(a) Defined benefit plans-Gratuity obligations

Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service.

(b) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

State Plans: Employer's contribution to Employee State Insurance plan is charged to Statement of Profit and Loss as and due.

2.16 Dividends

The Company has not declared dividend during the year. Hence no provision was made during the year.

2.17 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit or loss after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.18 Contingent Liability & Commitments

Contingent liability is disclosed in the case of:

- present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- present obligation arising from past events, when no reliable estimate possible;
- Possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets and on account bonds executed with external authorities.



(Amount in Rupees)

3. Property, Plant and Equipment

Particulars	Gross Carrying Value			Depreciation			Net Carrying Value	
	As At 01.04.2018	Additions During the Year	Sale/deletion During the Year	As At 31.03.2019	As At 01.04.2018	Accumulated Depreciation Reversed/ Adjusted For the Year	As At 31.03.2019	As At 31.03.2018
Tangible Assets								
Land	10,037,981	-	-	10,037,981	-	-	10,037,981	10,037,981
Free Hold Quarry Land	1,017,637	-	-	1,017,637	1,017,637	-	-	-
Building -Office	1,353,352	-	-	1,353,352	518,998	54,782	779,572	834,354
Building -Factory	13,890,606	-	-	13,890,606	10,057,455	412,725	3,420,426	3,833,151
Temporary Shed	35,010	-	-	35,010	35,010	-	-	-
Plant & Equipment	131,807,528	-	-	131,807,528	121,700,625	1,488,784	8,618,119	10,106,903
Furniture & Fixtures	957,481	-	-	957,481	957,481	-	-	-
Vehicles	1,383,110	-	-	1,383,110	1,383,110	-	-	-
Computer	801,025	-	-	801,025	784,340	13,181	3,504	16,685
Office Equipment	1,070,705	-	-	1,070,705	1,021,356	-	49,349	49,349
Total	162,354,435	-	-	162,354,435	137,476,012	1,969,472	22,908,951	24,878,423
Previous Year -Tangible	162,336,135	18,300	-	162,354,435	134,588,743	2,887,269	24,878,423	-

MIDWEST GOLD LIMITED (formerly NOVA GRANITES (INDIA) LIMITED)
Notes to Financial Statements for the year ended 31st March, 2019

4 Deferred tax assets/liability (Net)		
	31 March,2019	31 March,2018
Deferred tax liability	Rs.	Rs.
Fixed assets:Impact of difference between tax	1,670,714	2,244,368
Gross deferred tax liability	1,670,714	2,244,368
Deferred tax asset		
Brought forward Business Loss	7,218,817	8,816,767
Brought forward Depreciation Loss	25,768,614	25,775,376
Gross deferred tax asset	32,987,431	34,592,143
Net deferred tax asset	31,316,717	32,347,775
5 Long-term Loans		
	Rs.	Rs.
Deposit -(Unsecured considered good)	6,109,324	6,109,324
	6,109,324	6,109,324
6 Inventories		
	Rs.	Rs.
Raw materials and components - Valued at Lower of Cost or Estimated Realizable Value	1,311,837	878,321
Finished goods - Valued at Lower of cost or net realizable value	31,414	63,698
Traded goods - Valued at Lower of cost or net realizable value	7,283,391	5,705,079
Consumables, Stores and spares -Valued at Lower of Cost or Estimated Realizable Value	389,188	593,768
Packing Material -Valued at Lower of Cost or Estimated Realizable Value	-	998
	9,015,830	7,241,864
7 Trade receivables and other assets		
	Rs.	Rs.
Trade receivables		
Outstanding for a period Exceeding six months from the Date they are due for payment		
Unsecured, considered good	10,930,961	10,930,961
Doubtful	39,725,054	39,725,054
(A)	50,656,015	50,656,015
Trade recivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	-	444,143
(B)	-	444,143
Total (A+B)	50,656,015	51,100,158
8 Cash and cash equivalents		
	Rs.	Rs.
Balance with Banks		
On current accounts	1,450,645	268,312
Deposits with original maturity for more than 12 months	552,000	162,000
Cash on hand	120,795	198,819
	2,123,440	629,131

There is no repatriation restriction with regards to cash and cash equivalents as at the end of reporting period and prior period
Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.



	31 March,2019		31 March,2018	
		Rs.		Rs.
9 Short-term Loans and advances				
Advance Against Suppliers/Expenses				
Unsecured considered good		235,802		117,900
Doubtful		820,799		820,799
	(A)	1,056,601		938,699
Other loans and advances				
Prepaid Insurance/Expenses- Secured considered good		32,673		25,192
TDS Receivable		24,024		20,981
Income Tax Refund Due -Secured considered good		153,262		176,273
Income Tax Tribunal fee - A Y 2003-2010		62,550		62,550
Other Advances		4,467		4,467
Others - doubtful		3,579,170		3,579,170
With Government authorities - Secured considered good		3,518,217		2,318,007
	(B)	7,374,363		6,186,640
Total (A+B)		8,430,964		7,125,339
Others				
Interest accrued on fixed deposits	-	188,073		160,144
	(C)	188,073	-	160,144
Total (A+B+C)	-	8,619,037	-	7,285,483

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

	31 March,2019		31 March,2018	
		Rs.		Rs.
10 Share Capital				
Authorized				
2,00,00,000 Equity Shares of Rs. 10/- each		20,00,00,000		20,00,00,000
Issued,Subscribed and fully paid-up shares				
32,70,000 Equity Shares of Rs. 10/- each		32,70,000		32,70,000
		32,70,000		32,70,000
a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity Shares				
	No.	Rs.	No.	Rs.
At the beginning of the period	3,270,000	32,700,000	3,270,000	32,700,000
Issued During the period	-	-	-	-
Outstanding at the end of the period	3,270,000	32,700,000	3,270,000	32,700,000
b. Terms/rights attached to equity shares				
The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.				
c. Shares held by holding Company				
Midwest Granite Pvt. Ltd	2,309,500	23,095,000	2,309,500	23,095,000
d. Details of Shareholders holding more than 5% shares in the company				
	No.	%	No.	%
Equity Shares of Rs. 10/- each fully paid				
Midwest Granite Pvt. Ltd	2,309,500	70.62	2,309,500	70.62
	2,309,500	70.62	2,309,500	70.62



	31 March,2019		31 March,2018	
		Rs.		Rs.
11 Other Equity				
Capital Reserve		38,014,360		38,014,360
Represents the cessation of liability on one time settlement of Term Loan and balance of Reduction of share capital by Virtue of BIFR Order No. 39/99(11) dated 11/11/03 which is not available for distribution of dividends		38,014,360		38,014,360
Surplus/(deficit) in the statement of Profit and loss				
Balance as per last financial statements		(132,878,222)		(119,442,781)
Less : Carrying Amounts of Fixed Assets debited to Retained Earnings where remaining useful life of the Asset is NIL as on 01.04.2014		-		-
Profit / (Loss) for the year		(7,488,313)		(13,435,441)
Net surplus / (deficit) in the statement of Profit and loss		(140,366,535)		(132,878,222)
Total other equity		(102,352,175)		(94,863,862)
12 Long-term provisions				
Provision for employee benefits		222,966		191,221
Provision for gratuity		222,966		191,221
Current Liabilities				
13 Short-term Borrowings				
Loan from related party				
- Midwest Granite Pvt Ltd		121,113,754		121,113,754
		121,113,754		121,113,754
14 Trade payables (including acceptances & Midwest Granite Pvt Ltd)		40,275,921		38,288,841
		40,275,921		38,288,841
"Terms and conditions of the above financial liabilities:"- Trade payables are non-interest bearing and are normally settled on Mutual Terms and conditions"- For terms and conditions with related parties, refer to Note 30"				
	31 March,2019		31 March,2018	
		Rs.		Rs.
15 Other current liabilities				
Advance from Customers		13,231,306		20,251,306
		13,231,306		20,251,306
Others				
TDS payable		23,504		23,822
Professional Tax payable		400		200
GST Output Tax payable -A.P.		-		4,612
Canara Bank overdraft Account		343,267		
Provision for Expenses		96,141		113,738
Other Payables		23,813,000		10,421,000
Outstanding Liabilities		1,216,687		825,551
		25,492,999		11,388,923
		38,724,305		31,640,229
16 Short-term provisions				
Provision for employee benefits				
Provision for Bonus		44,656		57,945
Provision for Leave Salary		19,887		19,887
		64,543		77,832



	31 March,2019		31 March,2018	
		Rs.		Rs.
17 Revenue from operations				
Revenue from operations Sales of products				
Traded goods		1,066,461		1,223,850
		1,066,461		1,223,850
Traded goods sold				
Marble Slabs		1,066,461		1,223,850
Rough Granite Blocks		-		-
		1,066,461		1,223,850
18 Other income				
Interest income on				
Bank deposits		37,301		17,647
Others		200,100		209,803
Other Receipts		-		-
Miscellaneous Debit /Credit Balance Wo.(Net)		576,034		6,251,631
		813,435		6,479,081
19 Cost of raw material and components consumed				
Inventory at the beginning of the year		1,473,087		1,138,741
Add: Purchases		526,339		1,317,043
		1,999,426		2,455,784
Less:inventory at the end of the year		1,701,025		1,473,087
Cost of raw material and components Consumed		298,401		982,697
Details of inventory				
Granite Blocks		1,311,837		878,321
Mechanical Spares		116,506		116,506
Electrical Spares		10,157		10,157
Consumables		250,045		454,625
Tools, Plumbing,Welding,DG Sets & General Items		12,480		12,480
Packing Material		-		998
		1,701,025		1,473,087
	(Increase)/Decrease			
	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
	Rs.	Rs.	Rs.	Rs.
20 (Increase)/decrease in inventories				
Inventories at the end of the year				
Traded goods	7,283,391	5,705,079	1,578,312	5,705,079
Work-in-progress	-	-	-	-
Finished goods	31,414	63,698	(32,284)	63,698
	7,314,805	5,768,777	1,546,028	5,768,777
Inventories at the beginning of the year				
Traded goods	7,283,391	5,705,079		5,705,079
Finished goods	31,414	63,698		63,698
	7,314,805	5,768,777		5,768,777



	31 March,2019		31 March,2018	
		Rs.		Rs.
21 Details of purchase of traded goods				
Marble Slabs		2,160,045		1,084,040
Rough Granite Blocks		-		-
		2,160,045		1,084,040
Details of Inventory				
Traded goods				
Marble Slabs		7,283,391		5,705,079
Granite Slabs		-		-
		7,283,391		5,705,079
Finished goods				
Marble Slabs		17,704		35,414
Granite Slabs		13,710		27,110
Artificial Stone		-		1,174
		31,414		63,698
22 Employee benefit expense				
Staff Salaries		892,680		1,158,568
Bonus		44,656		57,945
Leave Salary		-		35,464
Gratuity expenses		31,745		28,863
Staff welfare expenses		91,324		90,296
		1,060,405		1,371,136
23 Finance costs				
Interest		599		-
Bank charges		19,970		36,025
		20,569		36,025
24 Other expenses				
Power and fuel		1,259,183		832,236
Freight and forwarding charges		343,217		114,104
Rent		150,000		150,000
Rates and taxes		423,321		408,149
Insurance		13,835		19,544
Repairs and maintenance				
Plant and machinery		111,000		890,880
Building		-		78,750
Others		672,515		386,750
Advertising and sales promotion		92,700		51,600
Travelling and conveyance		78,150		106,417
Communication costs		48,772		42,995
Printing and stationery		16,864		16,582
Legal and professional fees		609,212		131,015
Payment to auditor		137,000		116,600
Security Charges		127,050		296,450
Fluctuation Loss/gain		-		-
Listing fee		250,000		250,000
Service Tax		-		68,572
GST Paid		-		1,800
Miscellaneous Debit/(Credit) Balances W/o.		9,893		-
Prior Period Expenses		8,000		8,007
Fines & Penalty		20		100,000
AGM Expenses		7,500		235,752

	31 March,2019		31 March,2018	
		Rs.		Rs.
Miscellaneous expenses		16,055		10,300
		4,374,287		4,316,503
Payment to auditor				
As auditor:				
Audit fee		75,000		75,000
Tax audit fee		15,000		15,000
Limited review		15,000		5,900
In other capacity:				
Taxation matters		-		-
Other service (Certification fees)		32,000		20,700
		137,000		116,600
25 Depreciation and amortization expense				
Depreciation of tangible assets		1,969,472		2,887,269
		1,969,472		2,887,269
26 Earnings per share(EPS)				
Total operations for the year				
Profit/(loss) before tax		(6,457,255)		(2,974,739)
Add/(less) : Income Tax Expenses		-		-
Add/(less) : Provision for Deferred tax		1,031,058		(10,460,702)
Profit/(loss) after tax		(7,488,313)		(13,435,441)
Earnings per Shares (EPS)		(2.29)		(4.11)

27 Gratuity and other post-employment benefit plans

Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service.

The Company has made provision as per the Gratuity Act since there is only one employee who has completed above five years of service in the company.

28 Segment information

The Company has only one reportable business segment and one geographical segment under Accounting Standard 17 on Segment Reporting.

29 Previous year figures have been regrouped / recast / rearranged wherever necessary to confirm to current year classification.



	31 March,2019		31 March,2018	
	Rs.		Rs.	
	Outstanding Credit Balance as on 31.03.2019		Outstanding Credit Balance as on 31.03.2018	
30 Related party disclosures				
Names of related parties and related party relationship				
Related parties where control exists				
Holding company				
Midwest Granite Private Limited (loan outstanding)	121,113,754	Cr	121,113,754	Cr
Midwest Granite Private Limited (Trade payables)	18,832,990	Cr	18,587,550	Cr
Fellow Subsidiary Company				
RDT Diamond Tools Pvt Ltd (Advance Received Against Supplies)	-	Cr.	10,000,000	Cr
1) Key Managerial Personnel	Mr. B S Raju		Whole time director	
	Mr.S. Ananda Reddy		CFO	
	Manish Tarachand Pandey		Company Secretary	
Holding Company	M/s. Midwest Granite Pvt. Ltd.			
Terms and conditions of transactions with related parties				
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2019, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2018: Rs. Nil, 1st April 2017: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.				
	31st March,2019	31st March,2018		
	Rs. in lacs	Rs. in lacs		
31 Contingent liabilities				
Contingent liability not provided for :				
Particulars				
a. Un expired Bank Guarantee	14.40	14.40		
b. Corporate Guarantee given by M/s. Midwest Granite Pvt. Ltd. In favor of President of India	175.00	175.00		
c. Bond in favor of President of India on account of central excise.	10.00	10.00		
d. Bond in favor of President of India on account of custom	468.23	468.23		
e. Corporate Guarantee given by the Company in favour of HDFC Bank for Loans taken by Midwest Granite Pvt Ltd	1,206.19	1,796.36		
f. Customs duty (Refer Note No. 32)	-	7.01		



- 32 The Company has received a show cause Notice from customs Department towards differential duty under Notification No.2/95 Dated 01/04/95 to the tune of Rs.07.01 Lakhs in previous year. The company has made appeal against this and has received the refund from the concerned authority.
- 33 Sundry debtors includes amount due from company under the same management Rs. -Nil- (Previous year Rs. -Nil-) maximum amount due at any time during the year Rs. - Nil -
- 34 Sundry Creditors, Other Liabilities, Sundry Debtors, Loans and Advances are subject to confirmation. Sundry Debtors includes Rs. 399.42 lakhs outstanding more than three years out of which 132.32 lakhs claim was filed with united states bankruptcy court, USA since the party filed the bankruptcy petition with the said court.
- 35 In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provisions for all known liabilities have been adequately made in the accounts.

	31 March,2019		31 March,2018	
		Rs.		Rs.
36 Value of imports calculated on CIF basis				
Traded Goods -Marble Slabs		21.60		10.84
Expenditure in foreign currency (accrual basis)		Nil		Nil
Imported and indigenous raw materials, components and spare parts consumed	% fo total Consumption	Value Rs.	% fo total Consumption	Value Rs.
	31 March,2019	31 March,2019	31 March,2018	31 March,2018
Raw Materials				
Imported	-	-	-	-
Indigenously obtained	-	-	-	-
Components				
Imported	-	-	-	-
Indigenously obtained	100	298,401	-	982,697
37 Earnings in foreign currency (accrual basis)		-		-

38 Capital and Other Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. Nil (PY - Rs. Nil)

39 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements: In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions: The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets: Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the



growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the company.

- 40 Fair value measurement of financial instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.
- 41 As informed to us there are no Micro and Small Enterprises to whom the company owes dues, which are outstanding for more than 45 days as at march 31 2019. This information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
- 42 The amounts and disclosures included in the financial statements of the previous year have been reclassified and regrouped wherever necessary.

As per our report of even date

For **B R N MURTHY & ASSOCIATES**
Chartered Accountants

CA Narasimha Murthy B R
PROPRIETOR
M. No. 214628

Place : Bangalore
Date : 30-05-2019

For and on behalf of the board of directors

Deepak Kukreti
Whole Time Director
DIN :03146700

S Anand Reddy
Chief Financial Officer

B.S.Raju
Whole Time Director
DIN: 01431440

Manish Tarachand Pandey
Company Secretary &
Compliance Officer



MIDWEST GOLD LIMITED
[Formerly Nova Granites (India) Limited]
CIN: - L13200KA1990PLC011396
Registered Office: 25-A, Attibele Industrial Area, Attibele,
Bangalore District, Karnataka - 562 107.

ATTENDANCE SLIP
(Please present this slip at the Meeting venue)

<i>DP Id / Client Id</i>	
<i>Regd. Folio No.</i>	
<i>Name of the Shareholder</i>	
<i>Name of the Proxy</i>	
<i>No. of Share(s) held</i>	
<i>Signature of the Member/ Proxy</i>	

I certify that I am a member/proxy for a member of the Company. I hereby record my presence in 29th Annual General Meeting to be held on Wednesday, 25th September, 2019 at 11.30 A.M at the registered office of the company at 25-A, Attibele Industrial Area, Attibele, Bangalore District, Karnataka-562 107.

Note:

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the Entrance of the Meeting venue.
2. This Attendance Slip is valid only in case shares are held on the date of the meeting.



Form No. MGT- 12
POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	MIDWEST GOLD LIMITED (Formerly Nova Granites (India)Limited)
Registered Office Address	25-A, Attibele Industrial Area, Attibele -562 107, Bangalore District, Karnataka
Corporate Identification No. (CIN)	L13200KA1990PLC011396

BALLOT PAPER

S.No	Particulars	Details
1	Name of the first named Shareholder (In Block Letters)	
2	Postal address	
3	Registered Folio No. / Client ID No.	
4	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary enumerated to be considered in 29th Annual General Meeting to be held on Wednesday, 25th September, 2019 at 11.30 A.M. at the registered office of the company at 25-A, Attibele Industrial Area, Attibele Bangalore District, Karnataka-562 107, by recording my assent or dissent to the said resolutions in the following manner :

S. No	Resolutions	No.of Shares held	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Report of Directors and the Auditors thereon			
2	To re-appoint Director in the place of Mr. Deepak Kukreti, DIN: 03146700, who retires by rotation and being eligible offers himself for re-appointment.			
3	To appoint Mr. Rao Sashikanth as Independent Director.			
4	To appoint Mrs. Kukreti Soumya as Director.			

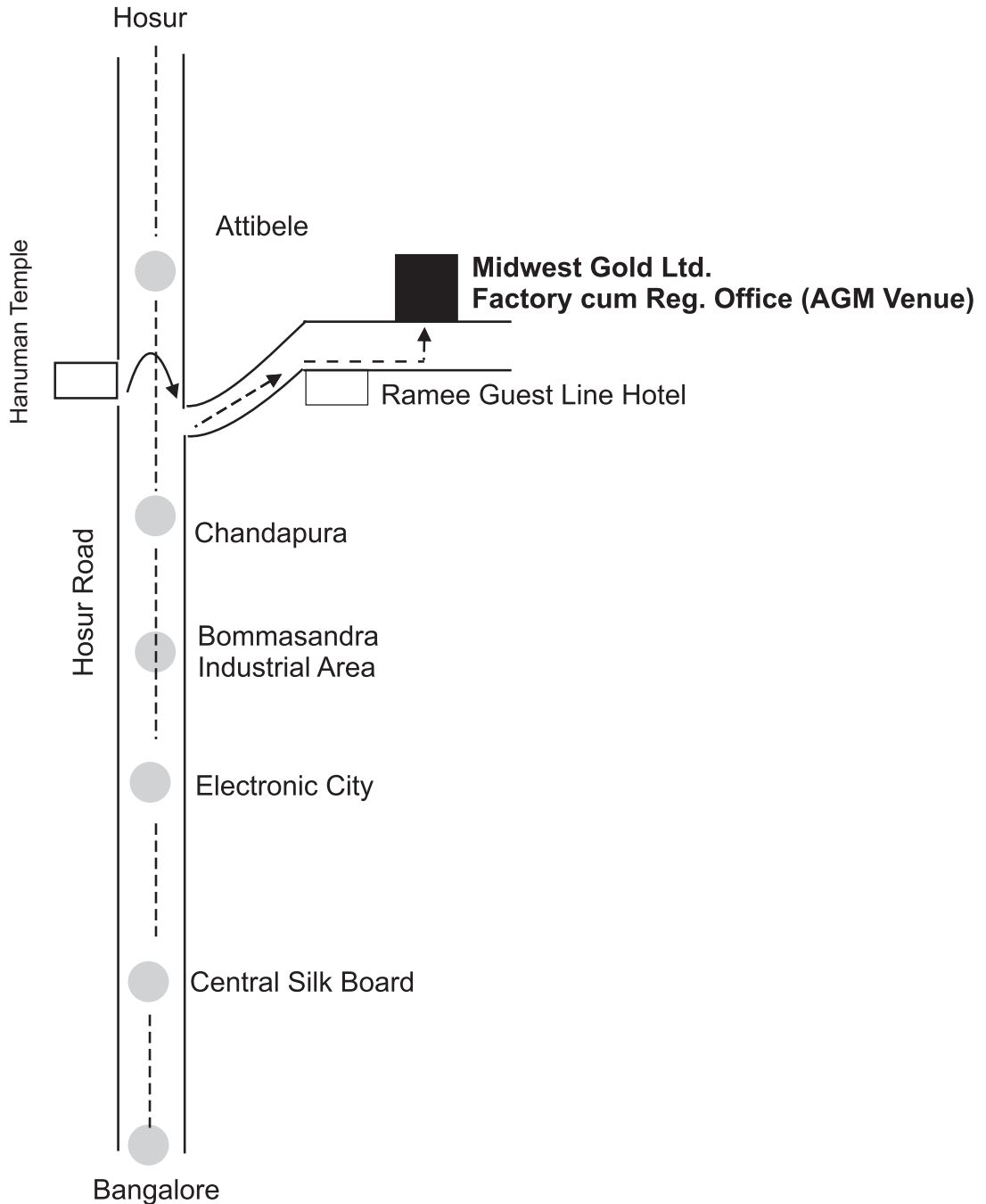
Place :

Date :

(Signature of the shareholder)



Route map to the venue of the 29th AGM of Midwest Gold Limited





MIDWEST GOLD LIMITED
[Formerly Nova Granites (India) Limited]

CIN: - L13200KA1990PLC011396

Registered Office: 25-A, Attibele Industrial Area, Attibele,
Bangalore District, Karnataka - 562 107.

Form No MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):

Registered address:

E-mail Id:

Folio No. / Client ID No. :DP ID No.

I/We, being the member(s) of Shares of Midwest Gold Limited, hereby appoint

1. Name:**E-mail Id:**

Address:

..... **Signature:** **Or failing him**

2. Name:**E-mail Id :**

Address:

..... **Signature:** **Or failing him**

3. Name: **E-mail Id:**

Address:

..... **Signature:**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Ninth Annual General Meeting of the Company to be held on Wednesday, 25th September, 2019 at 11.30 A.M at The Registered Office of the Company at 25-A, Attibele Industrial Area, Attibele, Bangalore District, Karnataka and at any adjournment thereof in respect of such resolutions as are indicated below :



S.No.	Resolutions	No. of Shares held	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Report of Directors and the Auditors thereon			
2	To re-appoint Director in the place of Mr. Deepak Kukreti, DIN: 03146700, who retires by rotation and being eligible offers himself for re-appointment.			
3	To appoint Mr. Rao Sashikanth as Independent Director.			
4	To appoint Mrs. Kukreti Soumya as Director.			

Signed this day of 2019

Affix
Revenue
Stamp

Signature of shareholder.....

Signature of Proxy holder(s).....

NOTES:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 25-A, Attibele Industrial Area, Attibele, Bangalore District, Karnataka -562 107, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.

By Courier / Registered Post / Speed Post

If Undelivered, please return to :

MIDWEST GOLD LIMITED

(Formerly Nova Granites (India) Limited)

25-A, Attibele Industrial Area,

Attibele - 562 107, Bangalore District,

Karnataka State.